STATUS OF CLAIMS

Claims 1-26 are pending.

Claims 1-26 stand rejected.

Claims 1-7 and 9-26 have been cancelled without prejudice herein.

Claim 8 has been amended without prejudice herein.

REMARKS

I. *Telephonic Interview*

Applicant thanks examiner Vanel Frenel and supervisory examiner Joseph Thomas for the courtesy of the telephonic interview of August 29, 2006. Applicant notes examiner Thomas indicated examiner Frenel would prepare an interview summary. As of the filing of this amendment and response, Applicant has not received the interview summary, and hence reserves the right for comment thereon.

II. *Entry of this Amendment*

For purposes of expediting prosecution, Applicant has amended the subject application to cancel Claims 1-7 and 9-26, and amend Claim 8. More particularly, Applicant has cancelled Claims 1-7 and 9-26 without prejudice, and subject to Applicant's right to seek further prosecution of these, and/or analogous claims in this or a related application. Accordingly, Claim 8 remains pending. Claim 8 has been amended, without prejudice, to be independent in form, and recite each of the limitations of (now cancelled) base Claim 1 and intervening Claims 5, 6 and 7 (as previously amended in Applicant's amendment and response express mailed on April 12, 2005).

In accordance with the August 29, 2006, telephonic interview, Applicant requests entry of this amendment, as it: (1) does not raise any new issues that would require further consideration and/or search; (2) does not raise the issue of new matter; (3) places the subject application in better condition for allowance, or alternatively, simplifies the issues for appeal; and (4) does not present additional claims.

III.   35 U.S.C. 103(a) Rejections

Claims 1-26 stand rejected under 35 U.S.C. §103(a), as being unpatentable over the John article ("Technology: Unlocking the Neural Network", John Mutch, Risk and Insurance, Jan. 1999) in view of the Leslie article ("High Tech Sleuths", Leslie Hann, Best's Review, Nov. 1998). Applicant requests reconsideration and removal of these rejections for at least the following reasons. Claims 1-7 and 9-26 have been cancelled herein, thereby rendering moot all rejections except that of Claim 8.

Claim 8 Summary

The following summary sets forth exemplary figures, pages and line numbers in the specification. This identification of figures, pages and line numbers does not constitute a representation that any claim element is limited to the embodiment illustrated at the reference character or described in the referenced portion of the specification.

Claim 8, as presently amended, recites a computerized method for identifying select ones of insurance records which possess a favorable subrogation potential. *(See, specification, pg. 3, ll. 18-21; pg. 4, ll. 11-13; Figs. 1 and 2).* The recited steps are employed using a computer.

The method of Claim 8 includes the step of: receiving data indicative of a plurality of claims. *(See, specification, pg. 8, ll. 1-5; pg. 9, ll. 3-4; Figs. 1 and 2).*

The method of Claim 8 includes the step of automatically calculating a base score to identify select ones of the claims which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data. *(See, specification, pg. 8, ll. 5-9; pg. 9, ll. 4-5; Figs. 1 and 2).* The calculating a base score comprises: calculating a likelihood a payment will be made by a legally liable party. *(See, specification, pg. 8, ll. 10-12; Figs. 1 and 2).* The calculating a base score comprises: calculating a probable percentage of losses recovered through payments received from said legally liable party. *(See, specification, pg. 8, ll. 10-14; Figs. 1 and 2).* The calculating a base score comprises: identifying at least one economic factor pertinent to said base score. *(See, specification, Table-1 (e.g., income level); pg. 19, ll. 1-7; Figs. 1 and 2).* The calculating a base score comprises: calculating a first adjustment dependent upon said identified at least one economic factor. *(See, specification, pg. 8, ll. 10-15; Figs. 1 and 2).* The calculating a base score comprises: identifying at least

one collection efficiency or strategy pertinent to said base score. *(See, specification, Table-1 (e.g., cumber of collection agencies who have previously worked the account); pg. 19, ll. 1-7; Figs. 1 and 2).* And, the calculating a base score comprises: calculating a second adjustment dependent upon said identified at least one collection efficiency or strategy. *(See, specification, pg. 8, ll. 10-15; Figs. 1 and 2).*

The method of Claim 8 includes the step of selecting claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data. *(See, specification, pg. 5, ll. 8-10; Fig. 5).*

The method of Claim 8 includes a computer employing step of automatically identifying risk factors associated with the claim for each of the select claims. *(See, specification, pg. 8, ll. 15-17; Figs. 1 and 2).*

The method of Claim 8 includes the step of automatically scoring each of the select claims dependent upon the base scores and said identified risk factors to provide a value indicative of an expected subrogation recovery. *(See, specification, pg. 5, ll. 19-21; pg. 20, ll. 2-4; Figs. 1 and 2).*

Finally, the method of Claim 8 includes the step of outputting the resulting value. *(See, specification, pg. 6, ll. 2-9; Figs. 1 and 2).*

The John and Leslie Articles Fail to Render Claim 8 Unpatentable

To establish a *prima facie* case of obviousness under 35 U.S.C. 103(a), all of these recited claim limitations must be taught or suggested in the prior art. *See, M.P.E.P. 706.02(j); see also, M.P.E.P. 2143.03 citing In re Royka, 490 F.2d 981, 180 USPQ 580 (CCPA 1974) ("All words in a claim must be considered in judging the patentability of that claim against the prior art.") and In re Wilson, 424 F.2d 1382, 1385, 165 USPQ 494, 496 (CCPA 1970).* However, a detailed review of the John and Leslie articles clearly reveals they fail, in any combination, to: (1) teach or suggest each of these recited computer employing steps; and (2) enable one of ordinary skill in the art to make and use such a computerized method for identifying select ones of insurance records which possess a favorable subrogation potential.

1.   The John and Leslie Articles Fail to Teach or Suggest Each of the
         Limitations of Claim 8.

Claim 8 recites, *inter alia,*

> automatically calculating a base score to identify select
> ones of the claims which demonstrate at least a given probability
> of expected subrogation recovery dependent upon the received
> data, wherein calculating a base score comprises:
>> calculating a likelihood a payment will be made by a
> legally liable party;
>> calculating a probable percentage of losses recovered
> through payments received from said legally liable party;
>> identifying at least one economic factor pertinent to said
> base score;
>> calculating a first adjustment dependent upon said
> identified at least one economic factor;
>> identifying at least one collection efficiency or strategy
> pertinent to said base score; and,
>> calculating a second adjustment dependent upon said
> identified at least one collection efficiency or strategy.

The John and Leslie articles fail, in any combination, to teach or suggest calculating a base score by, at least: (1) calculating a likelihood a payment will be made by a legally liable party; (2) calculating a probable percentage of losses recovered through payments received from said legally liable party; (3) identifying at least one economic factor pertinent to said base score; (4) calculating a first adjustment dependent upon said identified at least one economic factor; (5) identifying at least one collection efficiency or strategy pertinent to said base score; and (6) calculating a second adjustment dependent upon said identified at least one collection efficiency or strategy.

For purposes of clarity, Applicant notes enumerated limitation (1) was originally presented in intervening Claim 5; enumerated limitation (2) was originally presented in intervening Claim 6; enumerated limitations (3) and (4) were originally presented in intervening Claim 7; and, enumerated limitation (5) and (6) were originally presented in original Claim 8. Applicant further notes that each of Claims 1 and 5-8 stand rejected only over the John article in view of the Leslie article.

The present rejections acknowledge the John article fails to teach or suggest calculating a base score at all – let alone calculus that includes each of enumerated limitations (1)–(6). *See, e.g., 6/21/5005 Office action incorporated into the Final Office action, pg. 3, l. 5 ("John does not explicitly disclose automatically calculating a base score.").* In an effort to remedy this admitted shortcoming of the John article, the rejections seek to import select teachings of the Leslie article. *See, e.g., 6/21/5005 Office action incorporated into the Final Office action, pg. 3,*

l. 12 ("Leslie suggests automatically calculating a base score."); p. 4, ll. 1-2 ("It would have been obvious to one or ordinary skill in the art at the time of invention to have included the features of Leslie within the system of John."). However, the Leslie article fails to remedy the shortcomings of the John article for at least the following reasons.

Turning first to enumerated limitation (1), previously recited in intervening Claim 5, the rejections argue, "Leslie discloses the method wherein the calculating the base score comprises calculating a likelihood a payment will be made" at page 4, paragraphs 3-6. *6/21/5005 Office action incorporated into the Final Office action, pg. 5, l. 1-3.* Page 4, paragraphs 3-6 of the Leslie article, upon which the Examiner relies, are included in the "Turning Up The Heat" portion of the Leslie Article. This portion of the article, recites, <u>in its entirety</u>:

> Turning Up The Heat
>
> Barry Zalma, an insurance defense lawyer who has written books on fighting fraud, said he was in favor of any tools that improve the quality of referrals to investigators. But he is concerned that some insurers may view expert systems as a way to save costs by hiring fewer and less-experienced adjusters and investigators. Adjusters and fraud investigators rely on "checklists" for items or patterns that raise red flags, Zalma said, but those red flags are just as likely to apply to a valid claim as a fraudulent one.
>
> "If anybody believes that a red flag means there's fraud, they are going to get in deep trouble," Zalma said. "Red flags only mean you ought to investigate further."
>
> Downs of HNC said use of the system might justify an increase in investigators "if you have more high-quality referrals and not enough people to work on them." He cited an Insurance Research Council report that determined the typical return on investment for a fraud investigator is 10 to 1.
>
> For Workers' Compensation Fund of Utah, VeriComp is one tool in a broader fraud-fighting initiative, Short said. The company started its fraud department in 1993 by hiring a Salt Lake City police lieutenant, and now has six former police officers in the unit. The company has saved $5 million a year in fraudulent claims, which is substantial to a company with $114 million in net premiums written, Short said. In the past 3 1/2 years, 120 cases that were turned over to prosecutors resulted in convictions, Short said.
>
> By turning up the heat on fraud including a TV advertising campaign publicizing the effort-claims for back injuries dropped 30%, he said.
>
> All fraud-detection systems turn up false positives at some point, Downs said. In Utah, the system gave a high score to a case involving a paraplegic with very unusual medical activity, Downs said, but it was due to the nature of his injuries rather than fraud.
>
> "The system gives the reasons the claim scored highly," Downs said, "and with a quick review, the adjuster can determine if it's for good reasons or if it needs to be investigated." Lm

Thus, that portion of Leslie action relied upon as teaching enumerated limitation (1) of Claim 8 fails to teach or suggest *calculating a base score at all* – let alone *the further limitation of* calculating a likelihood a payment will be made by a legally liable party. The term "base score" is nowhere even found in the Leslie passage. Further, while Leslie alludes to scoring a claim, nowhere does Leslie, nor John, in any combination, teach or suggest claim 8 as a whole, including all of the limitations and recitations of "automatically calculating a base score...; selecting claims on the selecting claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data; automatically identifying risk factors associated with the claim for each of the select claims; automatically scoring each of the select claims dependent upon the base scores and said identified risk factors to provide a value indicative of an expected subrogation recovery; and outputting the resulting value." Instead, the relied upon passages of the Leslie article merely discuss different experiences with fraud detection – and amount to little more than fraud detection "war stories".

Turning now to enumerated limitation (2), previously recited in intervening Claim 6, the rejections argue, "Leslie discloses the method wherein the calculating a base score further comprises calculating a probable percentage of losses recovered through payments received form said legally liable party" also at page 4, paragraphs 3-6. *6/21/5005 Office action incorporated into the Final Office action, pg. 5, l. 5-8.* Again, these passages of the Leslie article relied upon by the Examiner lack any teaching or suggestion to calculate a base score as recited in present claim 8, no less calculating a probable percentage of losses recovered through payments received from said legally liable party. The Examiner does not and cannot point to specific portions of Leslie, as none exist for the alleged teachings.

Still further, with regard to the enumerated limitations (3) and (4), previously recited in intervening Claim 7, the rejections argue, "Leslie discloses the method wherein the calculating a base score further comprises, identifying at least one economic factor pertinent to said base score (Page 1, Paragraph 3); and, calculating a first adjustment dependently upon said identified at least one economic factor (Page 2, Paragraphs 4-7)." *6/21/5005 Office action incorporated into the Final Office action, pg. 5, l. 5-8.* For purposes of completeness, paragraphs 2-4 on page 1 of the Leslie article recite, in their entirety:

> Powerful new software systems help insurance investigators uncover fraud more effectively.
>
> In addition to their instincts and down-and-dirty investigative skills, insurance fraud fighters now have another set of tools to help them track down criminals: Powerful new software systems promise to dramatically improve their results.
>
> Travelers Property & Casualty and Reliance Insurance Co. are among the insurers testing new systems to help them identify and investigate potentially fraudulent claims. "This is a huge leap forward to systematically look at the problem of fraud," said Gary Smith, director of fraud management for Travelers, Hartford, Conn.

A detailed reading of this passage does not even hint at this additional limitation of present Claim 8. Furhtermore, paragraphs 2-8 on page 2 (and bridging to page 3) of the Leslie article recite, <u>in their entirety</u>:

> When an auto claim came in with three digits of a seven-digit license plate number, Infoglide's system identified the car as part of an organized ring, Smith said.
>
> "Most individuals using it are not systems disciples; they type two fingers at a time," Smith said. "It thinks like an investigator does. That's what I found most attractive." If the Infoglide software passes the final Travelers' tests, which determine its effect on other parts of the company's systems, the insurer plans to use it across all lines. In workers' compensation, Smith said, he can run his claims against Social Security and death records to identify people who died in the last month but are still receiving benefits.
>
> 'We can load third-party data, and that really just enhances our investigative capabilities," Smith said. "In the past, all of this information was available, but it was a manual process, and the systems spoke different languages. It's only very recently that programs have been written in a way that would allow them to cross boundaries."
>
> Conning & Co., an asset management and insurance research firm based in Hartford, Conn., recently invested $5.7 million in Infoglide. (Insurance Services Office Inc., New York, is testing Infoglide's product as well as products developed by other vendors for use in the all clam s database its developing, said ISO spokesman Christopher Guidette. ISO wants to integrate technology that will allow it to look across different lines of insurance to identify similarities in claims patterns and other common links in the data, he said.
>
> Fraud investigators have been clamoring for an all-claims database for years. It ranked second in a 1992 survey by the Insurance Research Council that asked fraud investigators what they needed to increase their efficiency. Increased training and staffing ranked first.
>
> ISO became the provider of the allclaims database after it acquired American Insurance Services Group last October and in February began managing the National Insurance Crime Bureau's claims and related databases. ISO has been "building bridges" to link the

> databases, which include bodily injury, workers' compensation, property and vehicle claims, Guidette said. By the middle of next year, the consolidated database, renamed ClaimSearch, will be "fully operational with all the bells and whistles," he said.
>
> Policy Management Systems Corp., Columbia, S.C., is evaluating fraud-detection systems as part of a menu of expanded claims services, said Stephen Francis, vice president of product development for PMSC, which licenses claims systems to insurers and also processes claims as an outsource vendor.

The above passages are completely devoid of any teachings with regard to enumerated limitations (3) and (4) of Claim 8. These is no identification of at least one economic factor pertinent to said base score. There is no calculating of a first adjustment dependent upon said identified at least one economic factor. In short, the Leslie article utterly fails to support the rejections alleged in the Final Office action.

Turning finally to enumerated limitations (5) and (6), originally presented in Claim 8, the rejections argue, "Leslie discloses the method wherein the calculating a base score further comprising: identifying at least one collection efficiency or strategy pertinent to said base score (Page 1, Paragraph 3); and, calculating a second adjustment dependently upon said identified at least one collection efficiency or strategy (Page 2, Paragraphs 3-7). As is evident from the reproduction of these passages above, the cited portions of the Leslie article are entirely devoid of any teaching or suggestion regarding collection efficiencies and adjustments there-regarding.

In view of the foregoing, Applicant respectfully requests reconsideration and removal of this 35 USC 103 rejection, as the John and Leslie articles, as applied in the Final Office action, fail to teach or suggest each of the limitations of Claim 8, and hence fail to render Claim 8 unpatentably obvious as a matter of law.

While the above represents sufficient grounds for withdrawal of the present rejections, Applicant further submits the following independent reasons for reconsideration and removal of the rejections presented in the Final Office action.

The above notwithstanding, independent Claim 8 further recites, *inter alia*:

> selecting claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data.

Nowhere do the rejections even assert that the John or Leslie articles teach or suggest any claim selecting as recited in present Claim 8. In contrast, the rejections are entirely silent in this regard and thus completely fail to even address this limitation. Accordingly, Applicant again submits it is clear the cited art of record, the John and Leslie articles, as applied in the rejections, fail to teach or suggest each of the limitations of Claim 8, and hence fail to render it unpatentably obvious as a matter of law.

While the above represents sufficient grounds for withdrawal of the present rejections, Applicant further submits the following independent reasons for reconsideration and removal of the rejections presented in the Final Office action.

Further yet, independent Claim 8 also recites the additional limitation of: "outputting the resulting value". With regard thereto, the rejections argue, " [Leslie suggests] outputting the resulting value (The Examiner interprets "easily outstrip those in other lines of business" to be a form of outputting the resulting value (See Leslie, Page 3, Paragraphs 2-9)[sic]." Applicant traverses this portion of the rejection as well. With regard to "outstripping", the Leslie article recites the following:

> Saving Time-And Money In a 1996 study, Conning estimated that insurers lost $19.4 billion to claims fraud in 1994 and $163 billion over the previous 10 years. <u>Fraudulent claims in workers' compensation "easily outstrip those in other lines of business," according to the report</u>. It attributed 25% of workers' compensation losses, or $5.66 billion, to fraud in 1994 and $58.7 billion over the previous 10 years. (Emphasis added)

Thus, the Examiner's interpretation is clearly improper, as the statement that fraudulent claims in workers' compensation cases are a greater problem than those in other lines of business fails to provide any teaching or suggestion of outputting a scored claim value. Accordingly, Applicant again submits it is clear the cited art of record (the John and Leslie articles), as applied in the present rejections, fail to teach or suggest each of the limitations of Claim 8, and hence fail to render it unpatentably obvious as a matter of law.

While the above represents sufficient grounds for withdrawal of the present rejections, Applicant further submits the following independent reasons for reconsideration and removal of the rejections presented in the Final Office action.

Notwithstanding the above, independent Claim 8 also calls for: <u>automatically calculating a base score</u>; <u>selecting claims on the basis of the base score</u> which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data; <u>automatically identifying risk factors associated with the claim for each of the select claims</u>; and, <u>automatically scoring each of the select claims dependent upon the base scores and said identified risk factors</u> to provide a value indicative of an expected subrogation recovery. However, a detailed reading of the Leslie article makes clear it fails to teach or suggest any such methodology.

Instead, the Leslie article first discusses that Travelers Property & Casualty and Reliance Insurance Co. is developing a three tiered approach to fighting fraud. The first approach is a "homegrown application" that does link analysis. The second Traveler's approach involves working with a technology company "to develop" a system for "scoring claims". And, the third Traveler's approach involves the so-called Infoglide "similarity search" technology that can identify complex patterns in data from a host of separate sources.

Regarding the first Travelers approach, nowhere does the Leslie article teach or suggest that any scoring is performed using this "homegrown" application – but instead merely that the "homegrown application" shows claims with the same names, addresses and license plates, for example. *See, Leslie, the paragraph bridging pp. 1-2.* Accordingly, this "homegrown application", as described by the Leslie article, *is distinct from and does not utilize any claim scoring methodology.*

Similarly the Leslie article merely explains that the third Traveler's approach, the Infoglide technology, also cross-relates databases, and *is distinct from and does not utilize the referenced claim scoring methodology.* Thus, the Examiner's assertion that the Leslie article's teachings regarding "building bridges" relates in any manner to scoring claims is without basis in the reference itself and improper. *See, e.g., 5/31/2006 Office action, p. 3, ll-5-8 and p. 4, ll. 11-16.*

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Regarding the second Traveler's approach, the entire Leslie article teachings there-regarding consist of: " [Traveler's] is working with a technology company to develop a system for 'scoring' claims based on the likelihood they are fraudulent." There is no further discussion at all in the Leslie article regarding this technology Traveler's is purportedly working to develop.

Thus, it is clear the Leslie article's discussion of the Traveler's "three tiered approach" does not teach or suggest the Claim 8 limitations of -- automatically calculating a base score; selecting claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data; automatically identifying risk factors associated with the claim for each of the select claims; and, automatically scoring each of the select claims dependent upon the base scores and said identified risk factors to provide a value indicative of an expected subrogation recovery.

The Leslie article also discusses software that scores individual claims based on the likelihood they are fraudulent provided by HNC Insurance Solutions entirely separately and distinctly from the Traveler's three tiered approach – and in no way teaches or suggests the HNC technology is in any way related to any of the three Traveler's approaches.

With regard to the HNC technology, the Leslie article discusses the magnitude of claims fraud over periods of time, and asserts that workers' compensation fraud is the most egregious type. The Leslie article then asserts that the HNC technology has successfully detected fraudulent workers' compensation claims and that HNC is working to build other fraud detection systems.

With regard to how to make or use the HNC technology, the Leslie article merely presents that it is based on the same technology used to detect credit card fraud, scores claims on the basis of 62 undesignated factors, and then discusses results that may be achieved, and actions that may be taken based upon those results (alert adjusters for scores of 500 or above, and refer cases to investigators for scores of 800 or above). Leslie fails to teach or suggest the HNC technology automatically calculates a base score; selects claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data; automatically identifies risk

factors associated with the claim for each of the select claims; and, automatically scores each of the select claims dependent upon the base scores and said identified risk factors. At most, the article merely suggests the HNC technology directly scores claims on the basis of some factors in some manner akin to detecting credit card fraud; which is far afield from the features and limitations recited in present Claim 8.

Accordingly, Applicant again submits it is clear the cited art of record, the John and Leslie articles, as applied in the rejections, fail to teach or suggest each of the limitations of Claim 8, and hence fail to render it unpatentably obvious as a matter of law. In view of the foregoing, Applicant respectfully requests reconsideration and removal of the 35 USC 103 rejection of Claim 8.

While the above represents sufficient grounds for withdrawal of the present rejections, Applicant further submits the following independent reasons for reconsideration and removal of the rejections presented in the Final Office action.

2.   The John and Leslie Articles Fail to Place The Invention Of Claim 8 in the Public's Possession.

It is proper to determine whether a reference is even in the "prior art" under 35 U.S.C. §102, as subject matter that is prior art under 35 U.S.C. §102 can be used to support a rejection under 35 U.S.C. §103(a) . *See, MPEP §2141.01, see also, Panduit Corp. v. Dennison Mfg. Co., 810 F.2d 1561, 1568, 1 USPQ2d 1593, 1597 (Fed. Cir.), cert. denied, 481 U.S. 1052 (1987).* To serve as a 35 U.S.C. §102 reference, that reference must enable the subject matter it is asserted to teach. *See, Amgen, Inc. v. Hoechst Marion Roussel, Inc., 314 F.3d 1313, 1354, 65 USPQ2d 1385, 1416 (Fed. Cir. 2003) ("A claimed invention cannot be anticipated by a prior art reference if the allegedly anticipatory disclosures cited as prior art are not enabled.").* Put another way, an effective 35 U.S.C. §102 reference must enable one of skill in the art to make and use the claimed invention. *See Bristol-Myers Squibb v. Ben Venue Laboratories, Inc., 246 F.3d 1368, 1374, 58 USPQ2d 1508, 1512 (Fed. Cir. 2001) ("To anticipate the reference must also enable one of skill in the art to make and use the claimed invention."); PPG Industries, Inc. v. Guardian Industries Corp., 75 F.3d 1558, 1566, 37*

USPQ2d 1618, 1624 (Fed. Cir. 1996) ("To anticipate a claim, a reference must disclose every element of the challenged claim and enable one skilled in the art to make the anticipating subject matter.").

The principles underlying application of the criteria of enablement to the content of the prior art were discussed in *In re Donohue*, which states that in order to be effective prior art a disclosure:

> must sufficiently describe the claimed invention to have placed the public in possession of it. Such possession is effected if one of ordinary skill in the art could have combined the publication's description of the invention with his own knowledge to make the claimed invention. **Accordingly, even if the claimed invention is disclosed in a printed publication, that disclosure will not suffice as prior art if it is not enabling.** *766 F.2d 531, 226 USPQ 619 (Fed. Cir. 1985), as cited by Elan Pharmaceuticals v. Mayo Foundation, 346 F.3d 105, 10551 (Fed. Cir) (2003) (emphasis added).*

In other words, publication alone is not sufficient to qualify the John and Leslie disclosures as "prior art", as the John and Leslie disclosures must give possession of the claimed invention to a person of ordinary skill in order to suffice as "prior art". *See, e.g., In re Borst, 345 F.2d 851, 855, 145 USPQ 554, 557 (CCPA 1962).* For purposes of completeness, Applicant notes its prior response inadvertently (in the remarks) recited a previous version of the claims instead of the claims as they then appeared. Nonetheless, Applicant notes that the failure of the John and Leslie articles to satisfy the enablement requirement is evident for all of those prior claims, in addition to the then pending and now amended claims.

The rejections acknowledge this requirement, at least where it is asserted:

> [Applicants argue] (a) John and Leslie fail, in any combination, to satisfy the enablement requirement, and hence fail to qualify as effective prior art for purposes of the claimed invention. Hence, they cannot be properly relied upon as actually teaching any of the limitations of the present invention. *5/31/2006 Final Office action, p. 3, ll. 1-4.*

However, even though the rejections acknowledge this argument, they fail to substantively address it, instead merely asserting:

> With respect [to this argument], Examiner respectfully
> submitted that John and Leslie prior art have been properly
> combined due to the fact that their filing date have been
> considered before Applicant's claimed invention and also there
> [sic] have been well applied concerning Applicant's claimed
> feature.

Applicant submits such an analysis and argument is clearly inconsistent with the mandates of *Donahue*, *Borst* and *Elan Pharmaceuticals* – instead arguing that the mere publication of the John and Leslie articles is sufficient regardless of whether the public has been placed in possession of the claimed invention.

For purposes of completeness, Applicant notes the MPEP mandates the approach of *Donahue*, *Borst* and *Elan Pharmaceuticals*. More particularly, MPEP §2101.01 recites, in part:

> The disclosure in an assertedly anticipating reference must
> provide an enabling disclosure of the desired subject matter;
> mere naming or description of the subject matter is
> insufficient, if it cannot be produced without undue
> experimentation. *Elan Pharm., Inc. v. Mayo Found. For Med.
> Educ. & Research, 346 F.3d 1051, 1054, 68 USPQ2d 1373,
> 1376 (Fed. Cir. 2003) (At issue was whether a prior art
> reference enabled one of ordinary skill in the art to produce
> Elan's claimed transgenic mouse without undue
> experimentation. Without a disclosure enabling one skilled in
> the art to produce a transgenic mouse without undue
> experimentation, the reference would not be applicable as
> prior art.).* A reference contains an "enabling disclosure" if
> the public was in possession of the claimed invention before
> the date of invention. "Such possession is effected if one of
> ordinary skill in the art could have combined the publication's
> description of the invention with his [or her] own knowledge to
> make the claimed invention." *In re Donohue, 766 F.2d 531,
> 226 USPQ 619 (Fed. Cir. 1985).*

Applicant submits the John and Leslie articles simply do not place the public in possession of the method of Claim 8 – as they, at most, merely place the public in possession of what the systems discussed therein can or could do. Thus, while the John and Leslie articles may be effective prior art for purposes of determining what the types of systems discussed therein may be capable of doing, they are not effective prior art for that which they don't teach or suggest how to make or produce in the first place – namely automatically calculating a base

score; selecting claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data; automatically identifying risk factors associated with the claim for each of the select claims; and automatically scoring each of the select claims dependent upon the base scores and said identified risk factors to provide a value indicative of an expected subrogation recovery – as is recited by Claim 8. *See, e.g., Elan Pharm., Inc. v. Mayo Found. For Med. Educ. & Research, 346 F.3d 1051, 1054, 68 USPQ2d 1373, 1376 (Fed. Cir. 2003) (At issue was whether a prior art reference enabled one of ordinary skill in the art to produce Elan's claimed transgenic mouse without undue experimentation. Without a disclosure enabling one skilled in the art to produce a transgenic mouse without undue experimentation, the reference would not be applicable as prior art.).*

More particularly, and turning again to independent Claim 8, it recites, in part:

automatically calculating a base score ... ;

selecting claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data;

automatically identifying risk factors associated with the claim for each of the select claims; [and,]

automatically scoring each of the select claims dependent upon the base scores and said identified risk factors to provide a value indicative of an expected subrogation recovery.

With regard to these limitations, the rejections argue the recited automatic calculating, automatic identifying and automatic scoring can all be found in Leslie at page 3, paragraphs 4-9 and page 4, paragraph 1 – which discuss the HNC technology.

However, and with regard to how to make or use the HNC technology, the Leslie article merely presents it is based on the same technology used to detect credit card fraud, scores claims on the basis of 62 undesignated factors and then discusses results that may be achieved, and actions that may be taken based upon those results (alert adjusters for scores of 500 or above, and refer cases to investigators for scores of 800 or above). Thus, the Leslie article provides no substantive teaching as to how one would actually score fraudulent claims except to use technology similar to that used to detect credit card fraud.

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And, nowhere is there any suggestion in Leslie or the rejections that any such technology: automatically calculates a base score; selects claims on the basis of the base score which demonstrate at least a given probability of expected subrogation recovery dependent upon the received data; automatically identify risk factors associated with the claim for each of the select claims; and, automatically score each of the select claims dependent upon the base scores and said identified risk factors at all.

Further yet, Leslie's teachings with regard to the HNC and workers' compensation subrogation module are only that HNC is working to develop it, that it would instead score claims on the basis that a third party could recover money (instead of the likelihood that a claim is fraudulent) and that it is likely under construction. And not that any fraudulent claim are somehow further scored for a subrogation score.

Accordingly, while the Leslie article discusses what various systems may be capable of doing, it provides no guidance what-so-ever as to how to make or produce any such scoring system – no less a system that automatically calculates a base score; automatically identifies risk factors associated with the claim for each of the select claims; and, automatically scores each of the select claims dependent upon the base scores and said identified risk factors – as is recited by Claim 8. *See, e.g., October 19, 2005 Declaration of Donald Pierce.*

Accordingly, Applicant respectfully requests reconsideration and removal of the rejection of Claim 8 for at least these independent reasons as well.
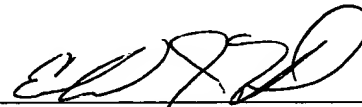
CONCLUSION

Applicant believes he has addressed all outstanding grounds raised in the outstanding Office action, and respectfully submits the present case is in condition for allowance, early notification of which is earnestly solicited.

Should there be any questions or outstanding matters, the Examiner is cordially invited and requested to contact Applicant's undersigned attorney at his number listed below.

Respectfully submitted,

Dated: August 31, 2006

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